

2801491

**Scarborough Theatre Development Trust**  
**(A company limited by guarantee)**


Financial Statements  
for the year ended

5 April 2011



**Coulsons**

Chartered Accountants  
*Two Belgrave Crescent*  
*Scarborough*

 **UK200Group**  
independent quality assured professionals

**Scarborough Theatre Development Trust**  
**(A company limited by guarantee)**

**Contents**

	<b>Page</b>
Reference and Administrative Information	<b>1</b>
Trustees' Report	<b>2 - 3</b>
Auditor's Report to the Trustees	<b>4 - 5</b>
Statement of Financial Activities	<b>6</b>
Balance Sheet	<b>7</b>
Notes to the Financial Statements	<b>8 - 12</b>

**Scarborough Theatre Development Trust**  
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**Reference and Administrative Information**

<b>Charity number</b>	1019185	
<b>Company registration number</b>	2801491	
<b>Business address</b>	Levisham Hall Levisham Pickering North Yorkshire YO18 7NL	
<b>Trustees</b>	C M A McCarthy CBE Sir Alan Ayckbourn CBE Lady H E Ayckbourn H S Truefitt J A Hurd R S Lumby S McCarthy	Resigned 30 June 2010
<b>Secretary</b>	J A Hurd	
<b>Auditor</b>	Coulsons 2 Belgrave Crescent Scarborough North Yorkshire YO11 1UB	
<b>Bankers</b>	HSBC 33 St Nicholas Street Scarborough North Yorkshire YO11 2HN	
<b>Solicitors</b>	Ware & Kay LLP Sentinel House Peasholme Green York YO1 7PP	

**Scarborough Theatre Development Trust**  
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**Report of the Trustees (incorporating the directors' report)**  
**for the year ended 5 April 2011**

The trustees present their report and the financial statements for the year ended 5 April 2011. The trustees, who are also directors of Scarborough Theatre Development Trust for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

**Structure, governance and management**

Scarborough Theatre Development Trust is a registered charity which was incorporated on 15 March 1993 as a company limited by guarantee. It is governed by its Memorandum and Articles of Association and overseen by its trustees, who are also the directors of the charity for the purposes of the Companies Act. Trustees are appointed in accordance with the Memorandum and Articles of Association and the board has a policy in place for the recruitment, induction and training of new members. Decisions are made by the trustees at their board meetings. The trustees consider the major risks to which the charity is exposed as being the normal commercial risks involved with renting property. They are satisfied that there are no special procedures required to meet these risks.

**Objectives and activities**

The charity was established to promote, maintain, improve and advance education by supporting such of the purposes of Scarborough Theatre Trust Limited in such a manner as the trustees think fit. The trustees have considered the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives, and in setting the grant making policy for the year. By providing grants, indirectly, they are encouraging and promoting the appreciation of the arts, by the provision of facilities for the education and recreation of the public in the fields of art, music and drama.

**Achievements and performance**

The charity's main source of income continued to be from the rent of its properties and grants totalling £36,498 were made to Scarborough Theatre Trust Limited.

The Statement of Financial Activities shows a deficit of £86,429 for the year, after charging £85,500 in respect of depreciation for the buildings and their fittings.

**Financial review**

The charity's reserves totalled £2,729,523 at 5 April 2011. Of these reserves £2,484,408 were restricted funds received specifically for capital expenditure. Free reserves (unrestricted funds not represented by fixed assets) amounted to £55,896. The trustees consider that this is an appropriate level of reserves to enable annual grants at around the current level to be paid out over the next few years.

**Statement as to disclosure of information to auditor**

We, the directors of the charitable company who held office at the date of approval of these financial statements, as set out on page 1, each confirm so far as are aware, that

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- we have taken all the steps that we ought to have taken as directors to make ourselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

**Statement of trustees' responsibilities**

The trustees (who are also directors of Scarborough Theatre Development Trust for the purpose of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Scarborough Theatre Development Trust**  
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**Report of the Trustees (incorporating the directors' report)**  
**for the year ended 5 April 2011**

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to

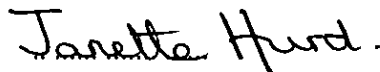
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by trustees on 31-8-2011 and signed on its behalf by



**J A Hurd**  
**Secretary**

**Scarborough Theatre Development Trust**  
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**Independent Auditor's Report to the members of Scarborough Theatre Development Trust**

We have audited the financial statements of Scarborough Theatre Development Trust for the year ended 5 April 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the trustees and auditor**

As explained more fully in the trustees' responsibilities statement, set out on page 2 - 3, the trustees (who are also directors of Scarborough Theatre Development Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion**

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 5 April 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Scarborough Theatre Development Trust**  
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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or-
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the trustees' annual report



**D J Bryden**  
**For and on behalf of**  
**Coulsons**  
**Chartered Accountants and**  
**Registered Auditor**  
**Scarborough**

21/5/11

**Scarborough Theatre Development Trust**  
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**Statement of Financial Activities (incorporating the income and expenditure account)**  
**for the year ended 5 April 2011**

	Notes	Unrestricted funds £	Restricted funds £	2011 Total £	2010 Total £
<b>Incoming resources</b>					
Incoming resources from generating funds					
Investment income	2	142	-	142	162
Incoming resources from charitable activities	3	39,585	-	39,585	42,120
<b>Total incoming resources</b>		<u>39,727</u>	<u>-</u>	<u>39,727</u>	<u>42,282</u>
<b>Resources expended</b>					
Establishment costs		1,083	-	1,083	4,412
Accountancy fees		1,175	-	1,175	650
Auditors' remuneration		150	-	150	150
Legal and professional fees		1,000	-	1,000	1,320
Other office expenses		80	-	80	110
Depreciation and impairment		4,781	80,719	85,500	83,135
Grants payable to Scarborough Theatre		36,498	-	36,498	20,000
<b>Total resources expended</b>		<u>44,767</u>	<u>80,719</u>	<u>125,486</u>	<u>109,777</u>
<b>Net incoming/(outgoing) resources for the year/ Net income/(expense) for the year</b>		(5,040)	(80,719)	(85,759)	(67,495)
Total funds brought forward		250,155	2,565,127	2,815,282	2,882,777
<b>Total funds carried forward</b>		<u>245,115</u>	<u>2,484,408</u>	<u>2,729,523</u>	<u>2,815,282</u>

The notes on pages 8 to 12 form an integral part of these financial statements.

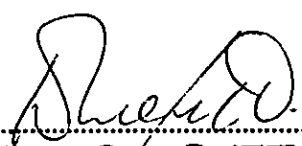
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**Balance Sheet**  
as at 5 April 2011

	Notes	£	2011 £	£	2010 £
<b>Fixed assets</b>					
Tangible assets	7		2,673,627		2,735,220
<b>Current assets</b>					
Debtors	8	3,159		256	
Cash at bank and in hand		83,002		80,725	
		<u>86,161</u>		<u>80,981</u>	
<b>Creditors: amounts falling due within one year</b>	9	(30,265)		(919)	
<b>Net current assets</b>			55,896		80,062
<b>Net assets</b>			<u>2,729,523</u>		<u>2,815,282</u>
<b>Funds</b>	10				
Restricted income funds			2,484,408		2,565,127
Unrestricted income funds			245,115		250,155
<b>Total funds</b>			<u>2,729,523</u>		<u>2,815,282</u>

The financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies' regimes and the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the board on 31-8-2011 and signed on its behalf by

  
.....  
H.S. TRUEFITT  
Director

The notes on pages 8 to 12 form an integral part of these financial statements.

**Scarborough Theatre Development Trust**  
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**Notes to Financial Statements**  
**for the year ended 5 April 2011**

**1. Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

**1.1. Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Companies Act 2006.

**1.2. Fund accounting**

Unrestricted funds are available for general use by the charity.

Income which is restricted to particular purposes, either by the wishes of the donor or by the nature of the appeal, is included in restricted funds. Expenditure which falls within the scope of the restriction is charged against the relevant fund.

**1.3. Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Income from investments is included in the year in which it is receivable.

**1.4. Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**1.5. Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Straight line over fifty years
Leasehold properties	-	Straight line over the life of the lease
Plant and machinery	-	20% reducing balance

**1.6. Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**Scarborough Theatre Development Trust**  
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**Notes to Financial Statements**  
**for the year ended 5 April 2011**

**2. Investment income**

	<b>Unrestricted funds £</b>	<b>2011 Total £</b>	<b>2010 Total £</b>
Interest received deposit account	142	142	162
	<u>142</u>	<u>142</u>	<u>162</u>

**3. Incoming resources from charitable activities**

	<b>Unrestricted funds £</b>	<b>2011 Total £</b>	<b>2010 Total £</b>
Rental income from Scarborough Theatre	27,500	27,500	27,500
Other rental income	12,085	12,085	14,620
	<u>39,585</u>	<u>39,585</u>	<u>42,120</u>

**4. Net outgoing resources for the year**

	<b>2011 £</b>	<b>2010 £</b>
Net outgoing resources are stated after charging		
Depreciation and other amounts written off tangible fixed assets	85,500	83,135
Auditors' remuneration	150	150
	<u>85,650</u>	<u>83,285</u>

**5. Trustees' emoluments**

There were no employees during the year apart from the trustees

None of the trustees received any remuneration or were reimbursed for any expenses during the year

**6. Taxation**

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

**Scarborough Theatre Development Trust**  
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**Notes to Financial Statements**  
**for the year ended 5 April 2011**

**7. Tangible fixed assets**

	Land and buildings freehold £	Long leasehold property £	Plant and machinery £	Total £
<b>Cost</b>				
At 6 April 2010	156,126	3,499,938	1,098,989	4,755,053
Additions	-	-	23,907	23,907
At 5 April 2011	<u>156,126</u>	<u>3,499,938</u>	<u>1,122,896</u>	<u>4,778,960</u>
<b>Depreciation</b>				
At 6 April 2010	43,722	925,443	1,050,668	2,019,833
Charge for the year	3,123	67,932	14,445	85,500
At 5 April 2011	<u>46,845</u>	<u>993,375</u>	<u>1,065,113</u>	<u>2,105,333</u>
<b>Net book values</b>				
At 5 April 2011	<u>109,281</u>	<u>2,506,563</u>	<u>57,783</u>	<u>2,673,627</u>
At 5 April 2010	<u>112,404</u>	<u>2,574,495</u>	<u>48,321</u>	<u>2,735,220</u>

The trustees consider that due to the restrictions imposed as to the use of the land and buildings, there is no material difference between their market value and the carrying value in the financial statements. The charity leases the Stephen Joseph Theatre and associated premises to the Scarborough Theatre Trust Ltd, while the attached retail units are leased to third parties.

**8. Debtors**

	2011 £	2010 £
Other debtors	3,159	256
	<u>3,159</u>	<u>256</u>

**9. Creditors: amounts falling due within one year**

	2011 £	2010 £
Other taxes and social security	-	90
Other creditors	28,815	29
Accruals and deferred income	1,450	800
	<u>30,265</u>	<u>919</u>

**Scarborough Theatre Development Trust**  
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**Notes to Financial Statements**  
**for the year ended 5 April 2011**

**10. Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 5 April 2011 as represented by			
Tangible fixed assets	189,219	2,484,408	2,673,627
Net current assets	55,896	-	55,896
	<u>245,115</u>	<u>2,484,408</u>	<u>2,729,523</u>

**11. Unrestricted funds**

	At 6 April 2010 £	Incoming resources £	Outgoing resources £	At 5 April 2011 £
Accumulated fund	250,155	39,727	(44,767)	245,115

**12. Restricted funds**

	At 6 April 2010 £	Outgoing resources £	At 5 April 2011 £
Appeal fund	736,587	(29,259)	707,328
Foundation for Sport and the Arts Grant	334,000	(10,000)	324,000
Lottery Grant (1)	1,065,600	(29,600)	1,036,000
EC Funding	358,380	(9,900)	348,480
Lottery Grant (2)	70,560	(1,960)	68,600
	<u>2,565,127</u>	<u>(80,719)</u>	<u>2,484,408</u>

**Purposes of restricted funds**

The restricted funds relate to monies which have been specifically received for capital expenditure, namely the acquisition and conversion of the former Odeon Cinema, Westborough, Scarborough into the Stephen Joseph Theatre and the purchase of the freehold property as a store for the Theatre (to which Lottery Grant 2 relates)

**Scarborough Theatre Development Trust**  
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**Notes to Financial Statements**  
**for the year ended 5 April 2011**

**13. Financial commitments**

At 5 April 2011 the company had annual commitments under non-cancellable operating leases as follows

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
In over five years	780	780

**14. Related party transactions**

During the year the charity paid £500 for legal advice to Pinkney Grunwells Lawyers LLP, one of whose partners, Richard Grunwell, is the Chairman of Scarborough Theatre Trust

**15. Company limited by guarantee**

Scarborough Theatre Development Trust is a company limited by guarantee and accordingly does not have a share capital